

COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

900 SOUTH FREMONT AVENUE ALHAMBRA, CALIFORNIA 91803-1331 Telephone: (626) 458-5100 www.ladpw.org

ADDRESS ALL CORRESPONDENCE TO: P.O. BOX 1460 ALHAMBRA, CALIFORNIA 91802-1460

> IN REPLY PLEASE REFER TO FILE:

PJ-2

March 31, 2004

TO: Each Supervisor

FROM: James A. Noyes

Director of Public Works

LAC+USC MEDICAL CENTER REPLACEMENT PROJECT APPROVAL OF POST-BID VALUE ENGINEERING SAVINGS C.P. 70787

The following summarizes a Board letter we filed for the April 6, 2004, agenda for the LAC+USC Medical Center Replacement Project.

On December 3, 2002, your Board awarded the original construction contract at a value of \$497,883,000. At that time we told you that McCarthy/Clark/Hunt, a Joint Venture, offered to participate in a partnered value engineering process with the County to explore methods for reducing the project cost without changing program elements or compromising the life-cycle cost value of the building systems. Recently, MCH identified \$2,098,456 of potential savings that Public Works, Health Services, the Chief Administrative Office, and, in the case of the detention equipment, the Sheriff's Department, reviewed and have determined can be accepted by the County without reducing the quality or useful life of the project. These savings result from changes to the drawings, specifications, or methods of construction, such as a change in a limited application of a certain concrete design mix; minor substitutions to specified mechanical, electrical, or plumbing equipment; and changes to the contractor's work methods. The changes recommended are a result of the collaborative efforts of the contractor, their subcontractors, Public Works, and our consultants. They represent significant potential savings to the County.

Your Board's approval of this credit change order would reduce the contract amount by \$2,098,456 and credit this amount back to the project construction contingency. The attached table describes the items that are recommended to be changed. The construction contract amount will be reduced from \$500,872,729 to \$498,774,273. The County's contingency will be increased from \$36,498,895 to \$38,597,351.

Each Supervisor March 31, 2004 Page 2

If you have any questions or need additional information, please call me or your staff may contact David Howard at (626) 300-2300.

BB:pdw

U:pmdiadmin\Adrine\LAC+USC\Memos\Value Engineering Savings

Attach.

cc: Supervisor Gloria Molina (Alma Martinez, Carrie Sutkin, Bobi Johnson)

Supervisor Yvonne Brathwaite Burke (John Hill, Chuck Bookhammer, Patricia Miller)

Supervisor Zev Yaroslavsky (Alisa Belinkoff Katz, Maria Chong-Castillo, Ron Hansen, Carol Kim)

Supervisor Don Knabe (Curt Pedersen, Tom Martin, Richard Espinosa)

Supervisor Michael D. Antonovich (Kathryn Barger-Leibrich, Paul Novak, Ressie Roman)

Chief Administrative Office (John Edmisten, Norm Braverman)

Executive Office

Department of Health Services (Fred Leaf, Azar Kattan)

Sheriff's Department (Gary T.K. Tse)

Project Advisory Committee (Nick Patsaouras, A. Redmond Doms, Jerry Epstein)

ATTACHMENT

LAC+USC MEDICAL CENTER REPLACEMENT PROJECT APPROVAL OF POST-BID VALUE ENGINEERING SAVINGS

Description	Value	Remarks
Eliminate 2 percent cleanup labor	\$914,620	This item eliminates a requirement for supplemental cleanup of the construction site at the discretion of Public Works.
Grout fill in depressed slabs	\$480,000	This item changes the concrete mix design, for depressed slabs only, from non-aggregate grout to concrete with 3/8 inch or less aggregate.
Revise detention equipment supplier list	\$450,000	This item allows the inclusion of another detention equipment supplier, with no change in quality, operability, or appearance of the equipment.
Substitute Simplex equipment for fire alarm/building automation equipment	\$100,000	This item allows for the inclusion of Simplex equipment for fire alarm/ building automation equipment with virtually no change in quality, operability, or appearance.
Plumbing pipe connections	\$68,525	This item allows change from hard soldered pipe connections to grooved victaulic couplers with no change in quality.
Substitute PVC electrical conduit elbows for galvanized steel elbows	\$49,311	This item allows the substitution of PVC elbows instead of galvanized steel elbows for below grade applications in specific locations only.
Revise absorption chillers	\$36,000	This item substitutes currently designed steam absorption chillers with more economical centrifugal chillers.
Total	\$2,098,456	